DOCUMENT RESUME

ED 278 724 UD 025 192

TITLE The Facts about Welfare: Being Poor in Massachusetts.
INSTITUTION Massachusetts State Dept. of Public Welfare, Boston.
PUB DATE 85
NOTE 39p.; Photographs may not reproduce well.
PUB TYPE Statistical Data (110)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Demography; Economically Disadvantaged; Family Programs; *Low Income Groups; Poverty; *Poverty Programs; Socioeconomic Status; *Welfare Recipients; *Welfare Services
IDENTIFIERS *Aid to Families with Dependent Children; *Massachusetts; Medicaid

ABSTRACT

There is a great deal of misunderstanding about welfare programs and clients. This booklet attempts to dispel popular misconceptions concerning the Massachusetts Department of Public Welfare (DPW). Using graphs, it provides a demographic profile of welfare recipients. It also provides other statistics about welfare through Aid to Families with Dependent Children. In addition to its primary mission of providing cash assistance and health services to the poor, DPW also operates programs intended to help poor people achieve economic self-sufficiency, including the following: (1) a training, education, and job placement program; and (2) a Child Support Enforcement Program. DPW's goals reflect those of the vast majority of their clients: financial independence for themselves and their families. (LHW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED278724

THE FACTS ABOUT WELFARE:

BEING POOR IN MASSACHUSETTS

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
C. Van Dewsen Lukas
MASS. Dept. Pub. Welfare
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

UD 025 192

A Report of the Massachusetts Department of Public Welfare

The Facts About Welfare:

Being Poor In Massachusetts

Commonwealth of Massachusetts
Michael S. Dukakis, Governor

Dedicated to the Memory of
Gordon Chase
and
Manuel Carballo
Former Human Services Secretaries
who inspired concern for the
poor in Massachusetts.

ACKNOWLEDGEMENTS

This publication was prepared by the staff of the Office of Research, Planning and Evaluation: Elizabeth W. Vorenberg, Assistant Commissioner; Alan Werner, Director of Research; Hope Berger, Kevin Henderson, Stephen McMorrow, and Rodney Southwick.

The Budget Office staff prepared many of the charts and were helpful in providing and reviewing data. The Publications and Outreach Unit photographed the Department's clients. Other colleagues in the Department reviewed and commented on the draft document.

TABLE OF CONTENTS

Foreword 4

The Facts About Welfare

- Two out of three AFDC recipients are children 6
- Two out of three Massachusetts AFDC recipients are white 8
- The average length of stay on welfare in Massachusetts is only two years 10
- People do not move to Massachusetts to get welfare 12
- Most AFDC families are small 14
- Fewer than 3% of welfare mothers are teenagers 16
- What about welfare fraud? 18
- AFDC clients prefer work to welfare 20
- About one-half of AFDC adults have completed high school 22
- Most AFDC families would not need welfare if absent fathers provided adequate child support 24
- Although two-thirds of Medicaid recipients are AFDC families, most Medicaid expenditures help the elderly poor 26
- Although Massachusetts ranks 10th among states in AFDC benefit levels, a family receiving both AFDC and Food Stamps still lives 22% below the poverty line 28
- After paying for food, clothing, utilities and rent, an AFDC family of three has less than $2 a day for all other needs 30
- In 1985, Federal costs for AFDC represent less than one percent of the entire $960 billion Federal budget 32

A Note to the Reader 34

FOREWORD

The Massachusetts Department of Public Welfare provides benefits each month to over 500,000 of the Commonwealth's citizens. About one-fourth of the people in Massachusetts will receive some form of public assistance in their lifetime.

Who are these citizens? Why are they in need? What does the Department do to help them?

This booklet answers these questions by illustrating with charts and graphs some rather surprising facts about the people we help and the kind of services we provide. Although some of our Department's programs have existed for over fifty years, there is still a great deal of misunderstanding about welfare programs and welfare clients. This booklet should dispel some of the popular misconceptions many people have about "welfare."

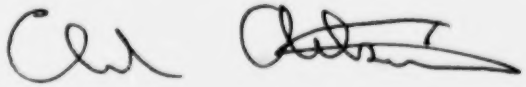
Nearly everyone knows the Department of Public Welfare's primary mission is to provide cash assistance and health services to the poor. But how

many people know that the Department of Public Welfare also operates programs intended to help poor people achieve economic self-sufficiency—to live productive lives without public assistance? For instance:

- The Department is responsible for a training, education, and job placement program, known as ET Choices. Since it began in October 1983, ET Choices has helped to provide job opportunities for over 15,000 welfare clients.
- The Department administers an aggressive Child Support Enforcement program designed to reduce or end welfare dependency by collecting for the support of children from absent parents.

Our Department offers these and other supportive services so that most clients will need public assistance for only a brief period of time. Our program goals reflect the goals of the vast majority of our clients—financial independence for themselves and their families.

The Massachusetts Department of Public Welfare is here to help every citizen of the Commonwealth who may face temporary or permanent impoverishment. The Department has a mandate to serve people in need, your fellow citizens, your neighbors. . . perhaps you or your family.



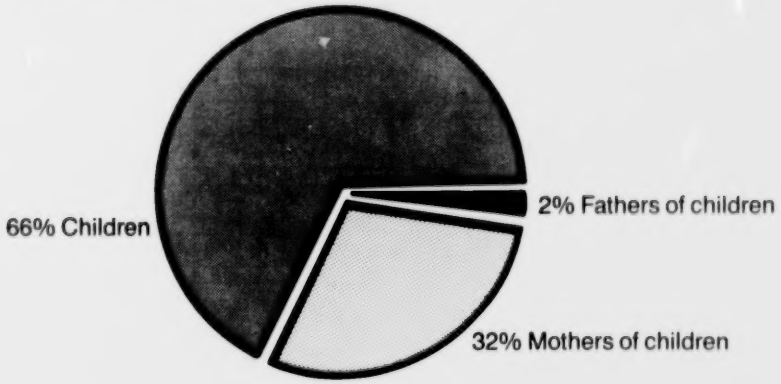
July 1985

Charles M. Atkins
Commissioner

Two out of three AFDC recipients are children.

Almost half the children receiving AFDC in Massachusetts are under the age of 6, and 85% are under the age of 14. The average age of an AFDC child is 7½.

AFDC Recipients

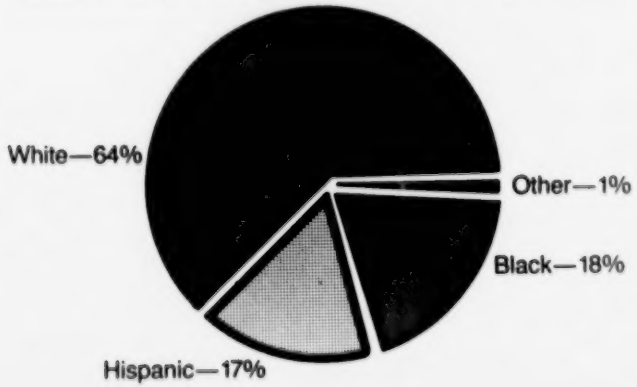


Note: AFDC is the program generally referred to as "welfare." (See appendix, pages 34–35.)

Two out of three Massachusetts AFDC recipients are white.

- 18% of Massachusetts AFDC recipients are Black.
- 17% are Hispanic.
- Nine out of 10 AFDC recipients speak English.

Characteristics of Massachusetts AFDC Recipients



10

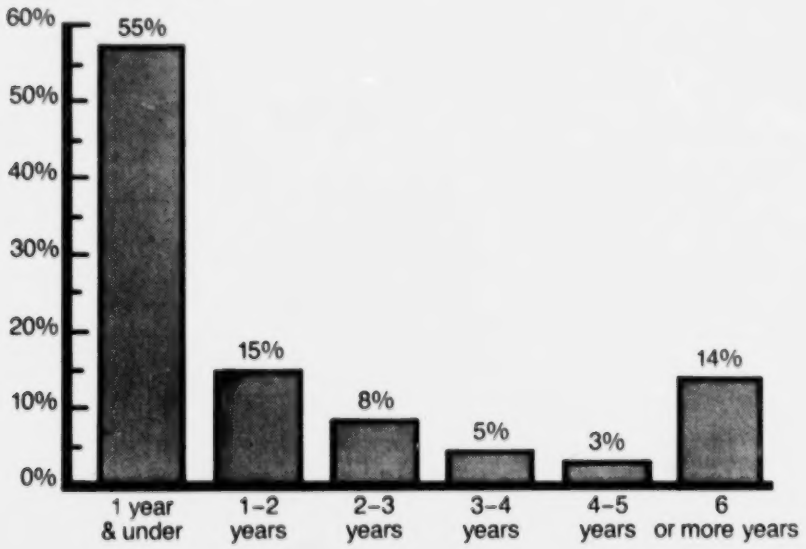
I Love My
Mommy

The average length of stay on welfare in Massachusetts is only two years.

- More than half Massachusetts' AFDC families stay on welfare for less than one year.
- Four out of five AFDC recipients receive aid for less than three years.

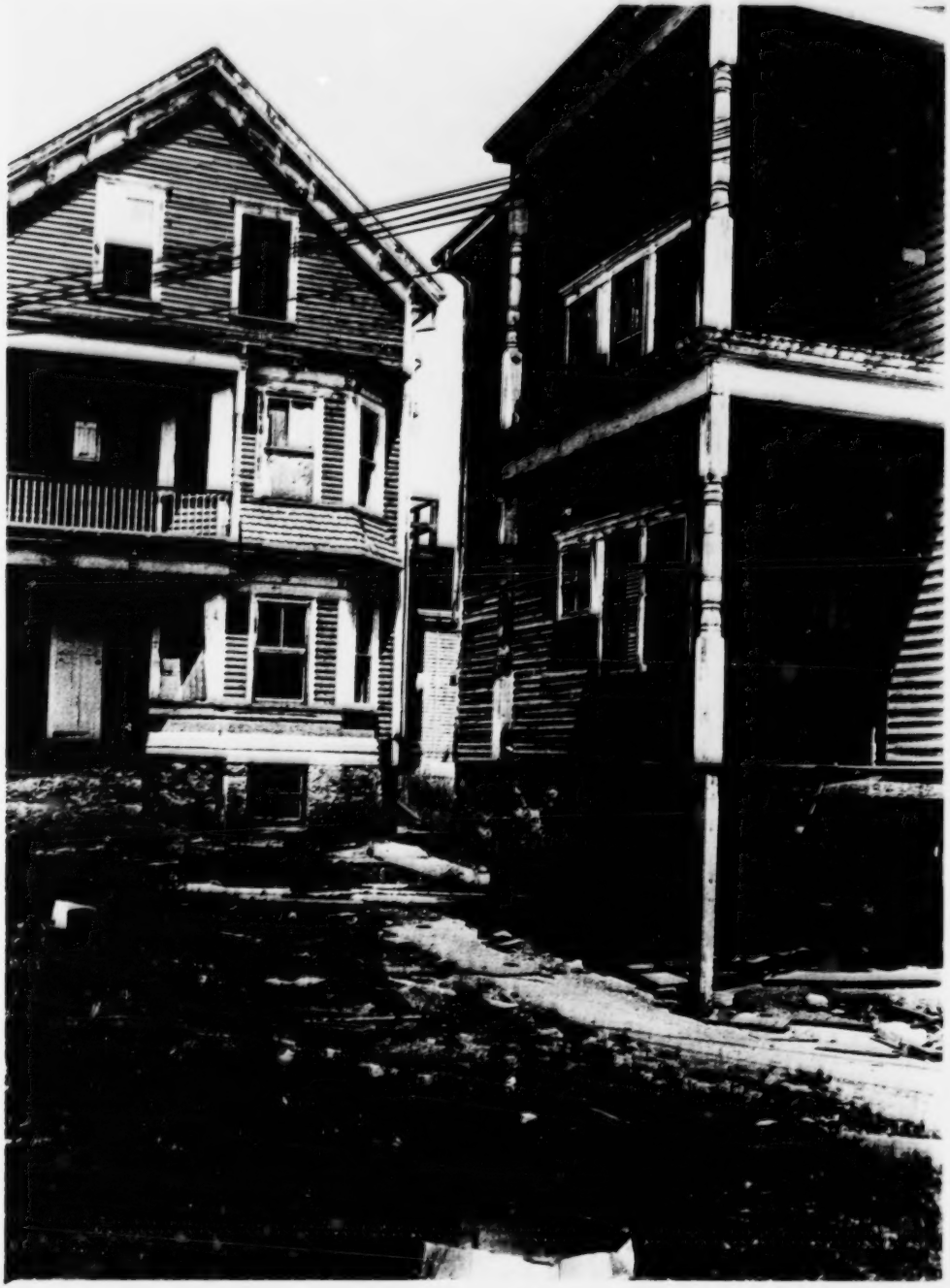
Time on Welfare for Massachusetts AFDC Recipients

Percent of Families



People do not move to Massachusetts to get welfare.

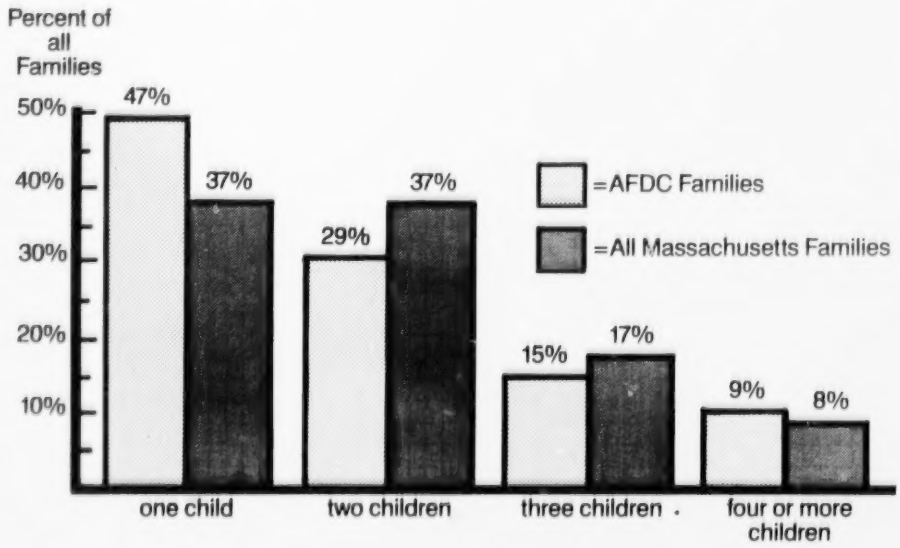
- 93% of all Massachusetts **residents** have lived in the state since 1975.
- 93% of all Massachusetts AFDC **recipients** have lived in Massachusetts since 1975.



Most AFDC families are small.

- The typical family on welfare in Massachusetts is a mother and two children.
- About 75% of all AFDC families have one or two children, which is about average for a Massachusetts family.

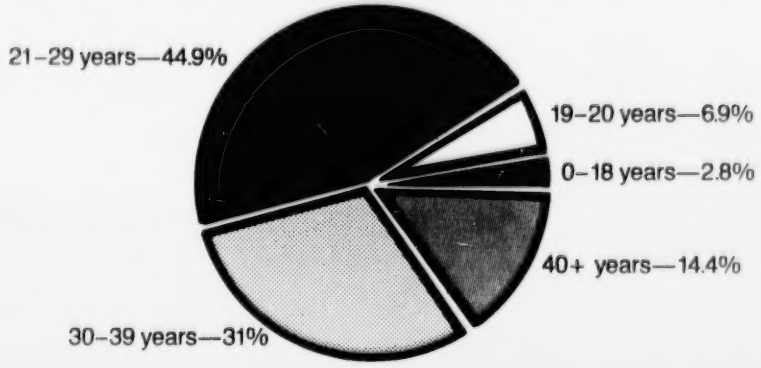
Number of Children in AFDC Families and in All Massachusetts Families



Fewer than 3% of welfare mothers are teenagers.

- The average age of an AFDC mother is 30.

The Age of Parents in AFDC Families



What about welfare fraud?

Fewer than 4% of AFDC benefits in Massachusetts go to clients who report fraudulent information, according to an independent state agency, the Bureau of Special Investigations.

A recent public opinion poll conducted for the Internal Revenue Service revealed that 19% of all taxpayers **admit** to cheating on their income taxes.

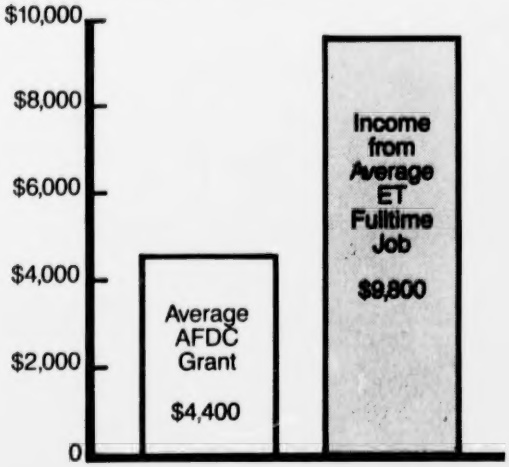
AFDC clients prefer work to welfare.

- About 1500 AFDC recipients get jobs each month.
- Over 750 clients get jobs monthly through the Department's ET Choices program.

Many adults on welfare actively seek employment. Many of those who find jobs do so through the Welfare Department's Employment and Training Program (ET Choices). An equal number are able to find jobs without assistance from the Department.

Clients who have obtained full-time employment through ET earn on the average more than twice the amount of their AFDC grant.

Income: Welfare vs. Wages, 1985

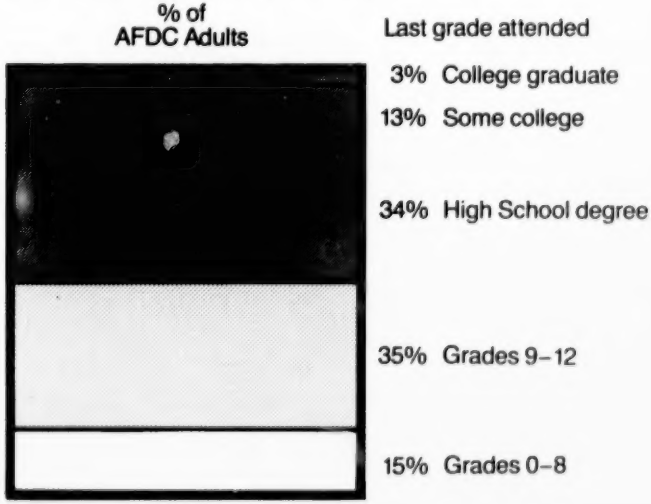


About one-half of AFDC adults have completed high school.

- One-sixth of AFDC adults have had some college education.
- 85% have gone beyond the eighth grade.

The ET Choices Program provides opportunities for clients without high school degrees to take courses in basic education, English as a Second Language, and the General Equivalency Degree (GED).

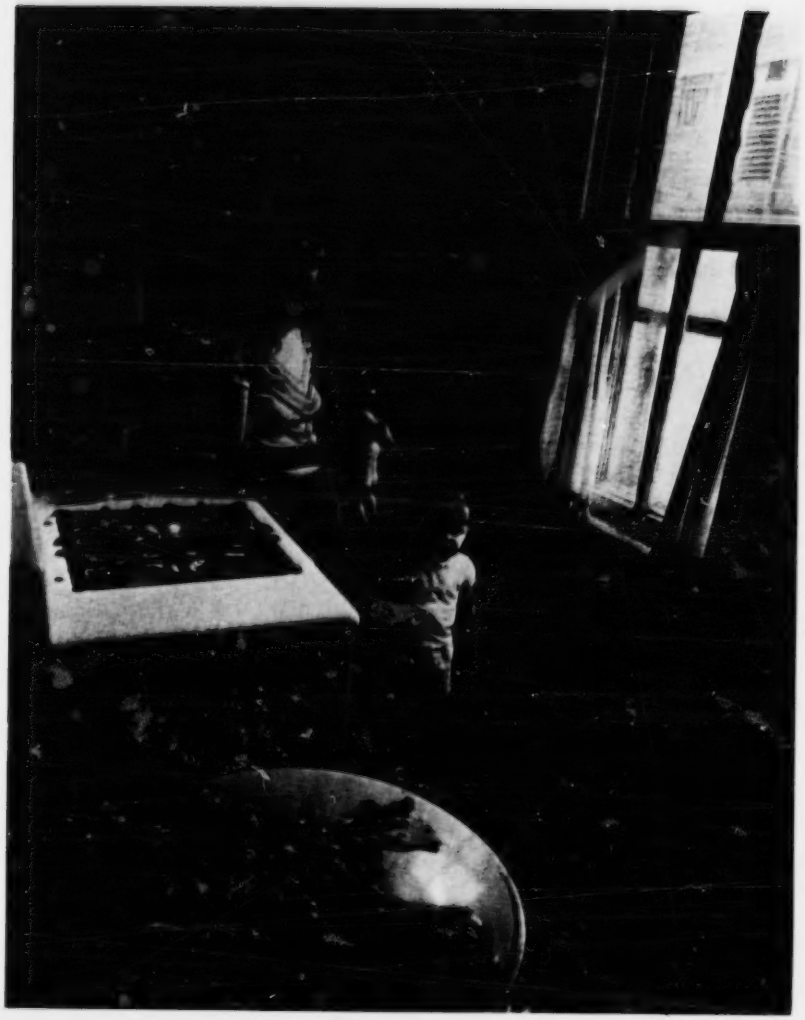
Educational Level of AFDC Adults



Most AFDC families would not need welfare if absent fathers provided adequate child support.

- Over 92% of AFDC families require help because one parent is absent.

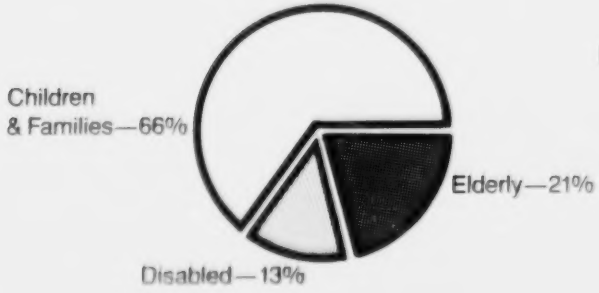
Through an extensive child support enforcement program, the Department of Public Welfare seeks out absent parents who are obliged to support their children. In fiscal year 1985, this resulted in a record $45 million in child support collections.



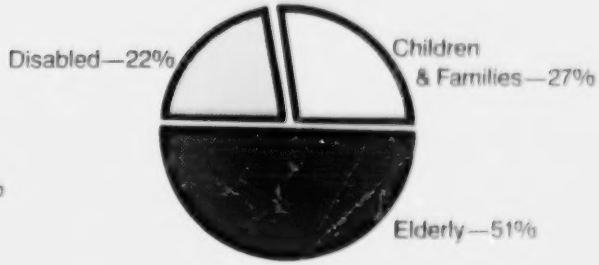
Although two-thirds of Medicaid recipients are AFDC families, most Medicaid expenditures help the elderly poor.

Elderly and disabled clients account for almost three-quarters of Medicaid expenditures, including payments for chronic care hospitals and nursing homes. 79% of medically needy elders live in chronic care hospitals or nursing homes.

Percent of Total Medicaid Recipients



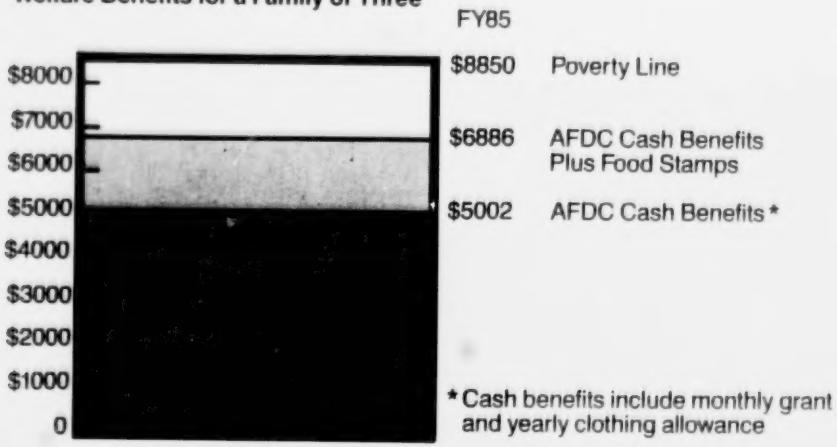
Percent of Total Medicaid Expenditures



Although Massachusetts ranks 10th among states in AFDC benefit levels, a family receiving both AFDC and Food Stamps still lives 22% below the poverty line.

Even though AFDC and Food Stamp benefits in Massachusetts are projected to rise 13% between 1983 and 1986, welfare families will continue to live below the poverty level, which is set by the Federal government.

Welfare Benefits for a Family of Three



After paying for food, clothing, utilities and rent, an AFDC family of three has less than $2 a day for all other needs.

An AFDC family of three pays on average $184 for rent and $153 for fuel and utilities. The family is left with $59 a month for all other expenses besides food and clothing such as toothpaste, soap, toilet paper, diapers and shoe laces.

Monthly Resources for an AFDC Family of Three

AFDC Grant	$396.00
Clothing Allowance	20.83
Food Stamps	157.00
	$573.83

In 1985, Federal costs for AFDC represent less than one percent of the entire $960 billion Federal budget.

For fiscal year 1985, the Federal budget totaled about $960 billion. Of this amount, about $7.8 billion was appropriated for the AFDC program.

The proposed **increase** in military spending for fiscal year 1986 is more than the **entire** budget for AFDC and Food Stamps. The $32 billion increase in the defense budget would more than finance the Federal share of both the AFDC and Food Stamp programs.

The money needed to build one B-1 bomber or one new destroyer would pay for the entire Federal share of the Massachusetts AFDC program.

A NOTE TO THE READER

A brief introduction to the public assistance programs operated by the Welfare Department will be helpful in understanding the facts contained in this booklet.

These programs are:

Aid to Families with Dependent Children (AFDC)—AFDC is the program generally referred to as "welfare." It is available to families with children under the age of 18 who have been deprived of economic support through death, disability, desertion, chronic unemployment, or continued absence of one parent. Eligible families must meet strict income and asset limits in order to qualify for this type of cash assistance. AFDC is financed jointly by the Commonwealth and the Federal government.

Food Stamps—Food Stamps are available to any household that meets strict income and asset criteria. Food Stamps are coupons that can be used only to purchase groceries. At least three-fourths of all AFDC families also receive Food Stamps. Food Stamp benefits are financed entirely by the Federal government, but the Commonwealth shares in the administrative costs of the program.

General Relief (GR)—GR is an entirely state-funded program of cash assistance and health care which the Commonwealth provides for people not eligible for AFDC. GR clients are most often single adults or married couples without children who are "unemployable" due to a temporary disability and who are, in some cases, homeless.

Medicaid—Medicaid provides medical care to financially and medically needy individuals and families. All AFDC families and SSI recipients (see below) are automatically eligible for Medicaid. Other individuals and families may qualify if their income and assets are insufficient to meet established medical needs. Most of those who qualify as medically needy are elderly persons. The Medicaid program is financed jointly by the Commonwealth and the Federal government.

Refugee Resettlement Program—This is a Federally funded, state-administered program that provides both cash and medical assistance plus social, employment and training services to refugees who meet income and eligibility criteria. Currently 87% of the refugees served are from Vietnam, Cambodia or Laos.

Supplemental Security Income (SSI)—SSI is a cash assistance program designed to meet the needs of the long-term disabled, the blind and the aged poor who meet certain income and asset eligibility standards. All recipients of SSI are also automatically eligible for Medicaid. The SSI program is funded jointly by the Federal government and the Commonwealth.

In addition, the Department provides:

Employment and Training Choices (ET) for recipients to obtain basic education, skills training, job referral, career counseling, and supported work services.

Homeless Services to support 22 permanent shelters and 22 temporary shelters for families and individuals.

Child Support Enforcement Services to both AFDC and non-AFDC mothers in locating absent fathers and collecting child support payments for their children.

Emergency Assistance to families who are victims of natural disasters, are homeless or at risk of becoming homeless, have rent or utility debts that may lead to eviction or termination of services, or need repair or replacement of a refrigerator, stove or hot water heater.

SOURCES OF DATA

Much of the material contained in this booklet comes from the Department of Public Welfare's own data sources: the Recipient Master File; a needs assessment survey of AFDC clients for the Employment and Training Program, August 1983; a telephone survey of AFDC clients, May 1984; and a study of bilingual needs and resources, January 1982.

Additional sources include the following:

Alan Guttmacher Institute, *Study on Adolescent Pregnancy,* Office of Population Research, Princeton University, 1985.

Bane, Mary Jo and Ellwood, David, *The Dynamics of Dependence: The Route to Self-Sufficiency,* Urban Systems Research and Engineering, Inc., Cambridge, MA, 1983.

Children's Defense Fund, *CDF Reports,* Washington, D.C., May 1984.

Institute for Social Research, *Years of Poverty, Years of Plenty,* University of Michigan, 1984.

Massachusetts Bureau of Special Investigations, *Monthly Reports, 1984–1985,* Boston, MA.

Massachusetts Department of Public Welfare, *Budget Request FY86,* Boston, MA, 1985.

U.S. Bureau of the Census, *Survey of Income and Program Participation,* Washington, D.C., September 1984.

_____, *Public Use Data,* Washington, D.C., 1980.

U.S. Department of Health and Human Services, Office of Family Assistance, State Data and Program Characteristics Branch, *Automated State AFDC Plan,* Washington, D.C., January 1985.

Yankelovich, Skelly and White, Inc., *Internal Revenue Service Taxpayer Opinion Survey,* 1984.

More detailed information is available from the Office of Research, Planning and Evaluation, 180 Tremont Street, Boston, MA 02111.

Photo credits: pp. 7, 9, 17, 19, 21, 33, Hakim Raquib; p. 11, Robert V. Eckert, Jr.; p. 13, Sandra Johnson; pp. 15, 25, 31, U.S. Department of Health and Human Services; p. 23, E.J. Holmes; p. 27, David S. Strickler; p. 29, courtesy of the Massachusetts Advocacy Center.

Not all persons appearing in photographs in this booklet are clients of the Massachusetts Department of Public Welfare.

Commonwealth of Massachusetts
Michael S. Dukakis
Governor

Executive Office of Human Services
Philip W. Johnston
Secretary

Department of Public Welfare
Charles M. Atkins
Commissioner

180 Tremont Street
Boston, Massachusetts 02111

Design and Production Assistance:
Center for Information Sharing
Design: Wendy Bedenbaugh
Graphics: Jaclyn Finocchio
Typesetting: Serif & Sans

Your Department of
Public Welfare